



NORTH CAROLINA GENERAL ASSEMBLY

Session 2021

Fiscal Analysis Memorandum

CONFIDENTIAL

Requestor: Rep. Szoka, Rep. Setzer, and Rep. Bradford
Analyst(s): Katherine Tamer
RE: PCS H.B. 181, V. 7

SUMMARY TABLE

FISCAL IMPACT OF PCS H.B. 181, V.7					
	<u>FY 2021-22</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>FY 2024-25</u>	<u>FY 2025-26</u>
State Impact					
General Fund Revenue	10,925	10,925	10,925	10,925	10,925
<u>Less Expenditures</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
General Fund Impact	10,925	10,925	10,925	10,925	10,925
Special Fund Revenues	(83,728)	(83,728)	(83,728)	(83,728)	(83,728)
<u>Less Expenditures</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Special Fund Impact	(83,728)	(83,728)	(83,728)	(83,728)	(83,728)
NET STATE IMPACT	(\$72,803)	(\$72,803)	(\$72,803)	(\$72,803)	(\$72,803)

TECHNICAL CONSIDERATIONS: See Technical Considerations Section

FISCAL IMPACT SUMMARY

Sections 4, 5, 9, and 10 of the PCS for H.B. 181, Wildlife Resources Comm'n. Amendments.-AB, would create fiscal impacts for the Wildlife Resources Commission (WRC). Section 4 would increase receipts to the General Fund by \$10,925 through the creation of a new certification. Sections 5, 9, and 10 provide exemptions or discounts to license fees and would reduce special fund receipts by a total of \$83,664 and would not impact the General Fund.

FISCAL ANALYSIS

Section 4: Wildlife Control Technician Certification Amendments

Section 4 creates a Wildlife Technician Certification, which would be an annual certification issued by WRC to an individual under the direct supervision of a licensed wildlife control agent. The fee for certification is \$25. The number of wildlife technicians working for licensed wildlife control



agents is not known. However, there are currently 437 licensed wildlife control agents in the State. WRC anticipates wildlife control agents may employ up to five technicians each. If so, WRC would collect \$54,625 each year (5 times 437 times \$25). This estimate is based on the number of licenses sold to wildlife control agents since November 2020 when the license was first enacted. Little is known about how wildlife control agents operate their businesses. A more conservative estimate assumes that each wildlife control agent would hire one technician. If every wildlife control agent hires one wildlife technician, WRC would collect \$10,925 each year (437 times \$25). WRC currently collects the receipts for the Wildlife Control Agent License in its General Fund budget code and would do the same for the Wildlife Control Technician Certificate receipts. Therefore, Section 4 would have an impact of \$10,925 on the General Fund.

Section 5: Veterans Exemption for Mountain Heritage Trout Waters License

Section 5 waives the fee for the Mountain Heritage Trout fishing license for people who served as a member of the Armed Forces. The Mountain Heritage Trout fishing license is a three-day license allowing anglers to fish in a stream designated as a Mountain Heritage Trout Water. The fee for the license is \$8. The table below shows the average number of Mountain Heritage Trout fishing licenses sold to residents and nonresidents for the last five fiscal years.

Mountain Heritage Trout Fishing Licenses Sold, 2015-2020

	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Average
Residents	433	577	710	667	1,039	685
Nonresidents	2,654	3,584	4,159	4,161	5,414	3,994
Total	3,087	4,161	4,869	4,828	6,453	4,679

The US Census Bureau website provides data on the number of veterans living in the State and the US.

Veterans as a Percentage of Total Populations, 2020

	NC	US
Total Number of Veterans	828,559	22,648,527
Total Population	10,488,084	328,239,523
Percentage	7.9%	6.9%

The table below applies the percentage of veterans in NC and the US to the average number of licenses sold to residents and nonresidents respectively to estimate the number veterans purchasing Mountain Heritage Trout Fishing Licenses each year.



**Estimated Number of Veteran
Mountain Heritage Trout Fishing Licenses**

	Residents	Nonresidents
Average Number of Licenses Sold	685	3,994
Veteran Percentage	7.9%	6.9%
Total	54	276

The total estimated number of veterans purchasing Mountain Heritage Trout Fishing Licenses is 330 (54 plus 276). Since each Mountain Heritage Trout Fishing License costs \$8, the total reduction to WRC's special funds for the veteran exemption in the PCS for H.B. 181 is \$2,640 (330 licenses times \$8).

Section 9: Half-Priced Lifetime Licenses for Certain Residents

Section 9 provides fifty percent discounts to residents between 50 and 70 years of age when purchasing Adult Resident Lifetime Sportsman Licenses (Sportsman Licenses) or Resident Adult Lifetime Unified Sportsman/Coastal Recreational Fishing Licenses (Unified Sportsman Licenses).¹

The table below shows the average number of Sportsman and Unified Sportsman licenses sold to individuals between 50 and 70 years old for the last five fiscal years.

Licenses Sold to Residents Between 50 and 70 Years Old, 2015-2020

License	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Average
Sportsman	95	73	89	113	139	102
Unified Sportsman	133	131	134	167	188	151
Total	228	204	223	280	327	253

The average number of Sportsman licenses sold to people between 50 to 70 years old is 102. The current price of the Sportsman License is \$530; half price is \$265. The total estimated reduction to WRC's special fund for the Sportsman License is \$27,030 (102 licenses times \$265).

The average number of Unified Sportsman licenses sold to people between 50 to 70 years old is 151. The current price of the Unified Sportsman License is \$716; half price is \$358. The total estimated reduction to WRC's special fund for the Unified License is \$54,058 (151 licenses times \$358).

Altogether, the changes in Section 9 of the PCS for H.B. 181 would result in a loss of \$81,088 to WRC's special funds (\$27,030 plus \$54,058).

¹ Section 9 includes an exception for individuals qualifying for a discounted Sportsman and Unified Sportsman license due to G.S. 113-276(o) which provides a fifty percent discount to eligible firefighters. The numbers of Sportsman and Unified Sportsman licenses listed here do not include residents between 50 and 70 years of age who already qualify for a discount due to their status as a firefighter.

Section 10: Reduce Controlled Rabbit Hunting Preserve Operator License Fee

Section 10 reduces the price for the annual Controlled Hunting Preserve Operator License for Rabbits from \$100 to \$25. There are three types of hunting preserves: one for game birds, one for rabbits, and one for foxes and coyotes. The operator license for each type of controlled hunting preserve currently costs \$100. The PCS for H.B. 181 would differentiate the operator license fee by controlled hunting preserve type: \$100 for game birds, \$25 for rabbits, and \$100 for foxes and coyotes. The table below shows the average number of Controlled Hunting Preserve Operator Licenses sold by controlled hunting preserve type for the last five fiscal years.

Controlled Hunting Preserve Operator Licenses, 2015-2020

Preserve Type	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Average
Game Birds	224	242	215	212	224	223
Rabbits	0	0	0	0	0	0
Foxes and Coyotes	118	131	146	127	131	131
Total	342	373	361	339	355	354

Since no licenses have been sold to controlled rabbit hunting preserve operators in the last five fiscal years, there is no estimated reduction and therefore no expected fiscal impact to WRC's special fund receipts due to the changes in Section 10.

TECHNICAL CONSIDERATIONS

Section 1 of the PCS for H.B. 181 would allow WRC to use agency receipts for construction projects. Agency receipts are collected in both the general fund and special funds. To the extent that the agency uses receipts from the general fund for this purpose, there may be an impact to on the State General Fund.

DATA SOURCES

US CENSUS BUREAU; WILDLIFE RESOURCES COMMISSION

FISCAL ANALYSIS MEMORANDUM – PURPOSE AND LIMITATIONS

This document is a fiscal analysis of a bill, draft bill, amendment, committee substitute, or conference committee report that is confidential under Chapter 120 of the General Statutes. The estimates in this analysis are based on the data, assumptions, and methodology described in the Fiscal Analysis section of this document. This document only addresses sections of the bill that have projected direct fiscal impacts on State or local governments and does not address sections that have no projected fiscal impacts. This document is not an official fiscal note. If a formal fiscal note is requested, please email your request to the Fiscal Research Division at FiscalNoteRequests@ncleg.net or call (919) 733-4910.

